



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-918]

Steel Wire Garment Hangers from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2012-2013

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the “Department”) is conducting the fifth administrative review of the antidumping duty order on steel wire garment hangers from the People's Republic of China (“PRC”).¹ The Department selected two respondents for individual review, Shanghai Wells,² and Ningbo Dasheng Hanger Ind. Co., Ltd., (“Ningbo Dasheng”). We selected four additional companies as mandatory respondents, but, they did not participate.³ The Department preliminarily determines that Shanghai Wells sold subject merchandise in the United States at prices below normal value during the period of review (“POR”), October 1, 2012, through September 30, 2013. In addition, we preliminarily determine Ningbo Dasheng, and the

¹ See Notice of Antidumping Duty Order: Steel Wire Garment Hangers from the People's Republic of China, 73 FR 58111 (October 6, 2008) (“Order”).

² The Department previously found that Shanghai Wells Hanger Co., Ltd., Hong Kong Wells Ltd. (“HK Wells”) and Hong Kong Wells Ltd. (USA) (“Wells USA”) are affiliated and that Shanghai Wells Hanger Co., Ltd. and HK Wells comprise a single entity (collectively, “Shanghai Wells”). Because there were no changes in this review to the facts that supported that decision, we continue to find Shanghai Wells Hanger Co., Ltd., HK Wells, and USA Wells are affiliated and that Shanghai Wells Hanger Co., Ltd. and HK Wells comprise a single entity. See Steel Wire Garment Hangers From the People's Republic of China: Preliminary Results and Preliminary Rescission, in Part, of the First Antidumping Duty Administrative Review, 75 FR 68758, 68761 (November 9, 2010), unchanged in First Administrative Review of Steel Wire Garment Hangers From the People's Republic of China: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 76 FR 27994, 27996 (May 13, 2011).

³ These four entities are: 1) Shangyu Baoxiang Metal Manufactured Co., Ltd. (“Shangyu Baoxiang”), 2) Shaoxing Dingli Metal Clotheshorse Co., Ltd., (“Shaoxing Dingli”) 3) Zhejiang Lucky Cloud Hanger Co., Ltd (“Lucky Cloud”), and 4) Shaoxing Tongzhou Metal Manufactured Co., Ltd., Shaoxing Andrew Metal Manufactured Co., Ltd., and Shaoxing Gangyuan Metal Manufacture (collectively, “the Shaoxing Entity”), (“Non-Responsive Mandatories”). See the Department's memorandum titled “Steel Wire Garment Hangers from the People's Republic of China: Decision Memorandum for the Preliminary Results of the 2012-2013 Antidumping Duty Administrative Review,” (“Preliminary Decision Memorandum”), dated concurrently with these results and hereby adopted by this notice.

Non-Responsive Mandatories failed to cooperate by not acting to the best of their ability to comply with the Department's request for information, warranting the application of facts otherwise available with adverse inferences, pursuant to sections 776(a)-(b) of the Tariff Act of 1930, as amended ("Act"). As a part of the application of adverse facts available ("AFA"), we are treating Ningbo Dasheng as part of the PRC-wide entity. Additionally, we determine that the four other companies that we selected as mandatory respondents but which did not cooperate are also part of the PRC-wide entity.⁴ If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries of subject merchandise during the POR. We invite interested parties to comment on these preliminary results.

DATES: EFFECTIVE DATE: INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER.

FOR FURTHER INFORMATION CONTACT: Alexis Polovina or Josh Startup, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4295 or (202) 482-5260, respectively.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The product covered by the order is steel wire garment hangers. This product is classified under the Harmonized Tariff Schedule of the United States ("HTSUS") subheadings: 7326.20.0020, 7323.99.9060, and 7323.99.9080. Although the HTSUS subheadings are

⁴ See PRC-Wide Entity section infra.

provided for convenience and customs purposes, the written product description remains dispositive.⁵

PRC-Wide Entity

The four Non-Responsive Mandatories failed to respond to the Department's requests for information and/or declined to participate in this review. These companies, therefore, are not eligible for separate rate status.⁶ Ningbo Dasheng failed to cooperate by not acting to the best of its ability to comply with a request for information, and therefore, is also not eligible for a separate rate. Accordingly, the Department preliminarily finds that the PRC-wide entity includes these companies. Furthermore, because necessary information is not available on the record and the PRC-Wide entity (including the None-Responsive Mandatories and Ningbo Dasheng) withheld requested information, failed to provide information in a timely manner and in the form requested, and significantly impeded this proceeding, the Department relied on facts available.⁷ Additionally, the Department finds that the PRC-Wide entity failed to cooperate by not acting to the best of its ability to comply with a request for information.⁸ Therefore, pursuant to section 776(b) of the Act, the Department used an adverse inference when selecting from among the facts otherwise available.⁹ Thus, the Department relied on AFA in order to determine a margin for the PRC-wide entity, pursuant to sections 776(a)(1), 776(a)(2)(A), (B), (C) and 776(b) of the Act.¹⁰

⁵ See the Preliminary Decision Memorandum for a complete description of the scope of the Order.

⁶ See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part, 78 FR 72630, 72631 (December 3, 2013).

⁷ See sections 776(a)(1) and (2)(A) - (C) of the Act.

⁸ See section 776(b) of the Act.

⁹ See also Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Doc. No. 103-316, Vol. 1, at 870 (1994).

¹⁰ See the Preliminary Decision Memorandum at the sections pertaining to "PRC-Wide Entity" and "Selection of Adverse Facts Available ("AFA") Rate" for a discussion of the AFA rate.

During the review, 23 companies for which a review was requested did not file a separate rate application or certification, nor did they file a no shipments certification.¹¹ Accordingly, because these companies did not demonstrate their eligibility for a separate rate, the Department preliminarily determines that they are also part of the PRC-wide entity.

Preliminary Determination of No Shipments

On January 31, 2014, Hangzhou Yingqing Material Co., Ltd. and Hangzhou Qingqing Mechanical Co., Ltd. filed no shipment certifications.¹² On February 6, 2014, the Department sent inquiries to CBP to determine whether CBP entry data are consistent with Hangzhou Yingqing Material Co., Ltd. and Hangzhou Qingqing Mechanical Co., Ltd.'s no shipments certifications and received no information contrary to that statement from CBP. As such, we preliminarily determine that Hangzhou Yingqing Material Co., Ltd. and Hangzhou Qingqing Mechanical Co., Ltd. had no shipments during the POR.¹³

In addition, the Department finds that consistent with its announced refinement to its assessment practice in NME cases, it is appropriate not to rescind the review in part in this circumstance but, rather, to complete the review with respect to Hangzhou Yingqing Material Co., Ltd. and Hangzhou Qingqing Mechanical Co., Ltd., and issue appropriate instructions to CBP based on the final results of the review.¹⁴

¹¹ See the Preliminary Decision Memorandum at the sections pertaining to “PRC-Wide Entity.”

¹² See letter from Hangzhou Yingqing Material Co., Ltd., and Hangzhou Qingqing Mechanical Co., Ltd., regarding, Resubmit No Sales Certification, dated January 31, 2014.

¹³ See Certain Hot-Rolled Flat-Rolled Carbon Quality Steel Flat Products From Brazil: Notice of Rescission of Antidumping Duty Administrative Review, 75 FR 65453, 65454 (October 25, 2010); Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Notice of Intent to Rescind Administrative Review, 74 FR 3559, 3560 (January 21, 2009); and Certain In-Shell Raw Pistachios from Iran: Rescission of Antidumping Duty Administrative Review, 73 FR 9292, 9293 (February 20, 2008).

¹⁴ See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011) and the “Assessment Rates” section, below.

Methodology

The Department conducted this review in accordance with section 751(a)(1)(B) of the Act. We calculated constructed export prices and export prices in accordance with section 772 of the Act. Because the PRC is a nonmarket economy within the meaning of section 771(18) of the Act, we calculated normal value in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum, dated concurrently with these results and hereby adopted by this notice.¹⁵ The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and to all parties in the Central Records Unit ("CRU"), room 7046 of the main Department of Commerce building. In addition, parties can obtain a complete version of the Preliminary Decision Memorandum on the Internet at <http://trade.gov/enforcement/frn/index.html>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Results of Review

Regarding the administrative review, the Department preliminarily determines that the following weighted-average dumping margins exist for the period October 1, 2012, through September 30, 2013:

¹⁵ See Preliminary Decision Memorandum.

Exporter	Weighted-Average Dumping Margin
Shanghai Wells Hanger Co., Ltd. ¹⁶	14.53%
PRC-Wide Entity	187.25%

Disclosure, Public Comment & Opportunity to Request a Hearing

The Department will disclose the calculations used in its analysis to parties in this review within five days of the date of publication of this notice.¹⁷

Interested parties may submit case briefs within 30 days after the date of publication of these preliminary results of review in the Federal Register.¹⁸ Rebuttals to case briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the time limit for filing case briefs.¹⁹ Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue (2) a brief summary of the argument, not to exceed five pages, and (3) a table of authorities.²⁰

Any interested party may request a hearing within 30 days of publication of this notice.²¹ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the case and rebuttal briefs.²² If a party requests a hearing, the Department will inform parties of the scheduled date for the hearing which will be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue

¹⁶ Shanghai Wells consists of Shanghai Wells Hanger Co., Ltd., and Hong Kong Wells Ltd.

¹⁷ See 19 CFR 351.224(b).

¹⁸ See 19 CFR 351.309(c)(1)(ii).

¹⁹ See 19 CFR 351.309(d)(1)-(2).

²⁰ See 19 CFR 351.309(c) and (d).

²¹ See 19 CFR 351.310(c).

²² Id.

NW, Washington, DC 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of the hearing.

The Department intends to issue the final results of this review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.²³ The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of review.

In these preliminary results, the Department applied the assessment rate calculation method adopted in Final Modification for Reviews, i.e., on the basis of monthly average-to-average comparisons using only the transactions associated with that importer with offsets being provided for non-dumped comparisons.²⁴

Where the respondent reported reliable entered values, we calculated importer- (or customer) specific ad valorem rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the sales to each importer (or customer).²⁵ Where the Department calculated a weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to that party by the total sales quantity associated with those transactions, the Department will direct CBP to assess

²³ See 19 CFR 351.212(b).

²⁴ See Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification, 77 FR 8101, 8103 (February 14, 2012) (“Final Modification for Reviews”).

²⁵ See 19 CFR 351.212(b)(1).

importer-specific assessment rates based on the resulting per-unit rates.²⁶ Where an importer- (or customer-) specific ad valorem or per-unit rate is greater than de minimis, the Department will instruct CBP to collect the appropriate duties at the time of liquidation.²⁷ Where an importer- (or customer-) specific ad valorem or per-unit rate is zero or de minimis, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.²⁸

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of these reviews for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For the companies listed above, the cash deposit rate will be established in the final results of these reviews (except, if the rate is zero or de minimis, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 187.25 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter.

These deposit requirements, when imposed, shall remain in effect until further notice.

²⁶ Id.

²⁷ Id.

²⁸ See 19 CFR 351.106(c)(2).

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: October 31, 2014.

Ronald K. Lorentzen,
Acting Assistant Secretary
for Enforcement and Compliance.

—

Attachment

List of Topics Discussed in the Preliminary Decision Memorandum:

1. Background
2. Respondent Selection
3. Scope of the Order
4. Affiliations
5. Preliminary Determination of No Shipments
6. PRC-Wide Entity
7. NME Country Status
8. Separate Rates
9. Separate Rates Recipients
10. Application of Facts Available and Use of Adverse Inference
11. Application of Total AFA to the PRC-Wide Entity
12. Selection of AFA Rate
13. Corroboration of Information
14. Surrogate Country and Surrogate Value Data
15. Surrogate Country
16. Date of Sale
17. Determination of Comparison Method
18. Results of Differential Pricing Analysis
19. U.S. Price
20. Value-Added Tax
21. Normal Value
22. Factor Valuations
23. Company Specific Issues
24. Currency Conversion
25. Conclusion